

SENATE BILL No. 264

DIGEST OF INTRODUCED BILL

Citations Affected: IC 9-22-3.

Synopsis: Certificate of salvage title. Specifies that certain requirements for a certificate of salvage title apply to motor vehicles regardless of the year of manufacture. Specifies factors that must be included and excluded from a calculation of repair costs for purposes of issuance of a certificate of salvage title for certain motor vehicles.

Effective: July 1, 2005.

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January 6, 2005, read first time and referred to Committee on Commerce and Transportation.

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Introduced

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

SENATE BILL No. 264

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 9-22-3-1 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as provided in
3 subsection (b) and ~~section~~ **sections 3 and 14** of this chapter, this
4 chapter applies each year to a motor vehicle, semitrailer, or recreational
5 vehicle manufactured within the last seven (7) model years, including
6 the current model year. The bureau shall establish guidelines for
7 determining the applicability of the model year effective dates for each
8 year.
9 (b) The bureau may extend the model years to be covered each year
10 by this chapter up to a maximum of fifteen (15) model years, which
11 includes the current model year, after doing the following:
12 (1) Conducting a public hearing.
13 (2) Giving reasonable notice to known businesses affected by this
14 chapter.
15 SECTION 2. IC 9-22-3-3 IS AMENDED TO READ AS FOLLOWS
16 [EFFECTIVE JULY 1, 2005]: Sec. 3. **(a) This section applies to a**
17 **motor vehicle, motorcycle, semitrailer, or recreational vehicle,**

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1 **regardless of the year of manufacture.**

2 ~~(a)~~ **(b)** A certificate of salvage title is required for a motor vehicle,
3 motorcycle, semitrailer, or recreational vehicle that meets any of the
4 following criteria:

5 (1) An insurance company has determined that ~~it is economically~~
6 ~~impractical~~ **the cost** to repair the wrecked or damaged motor
7 vehicle, motorcycle, semitrailer, or recreational vehicle **exceeds**
8 **seventy percent (70%) of the fair market value of the vehicle**
9 **immediately before the wreck or damage occurred** and has
10 made an agreed settlement with the insured or claimant.

11 (2) If the owner of the vehicle is a business that insures its own
12 vehicles or an insurance company, the cost of repairing the
13 wrecked or damaged motor vehicle, motorcycle, semitrailer, or
14 recreational vehicle exceeds seventy percent (70%) of the fair
15 market value immediately before the motor vehicle, motorcycle,
16 semitrailer, or recreational vehicle was wrecked or damaged.

17 (3) The motor vehicle is a flood damaged vehicle.

18 **(c) When determining the cost to repair a motor vehicle,**
19 **motorcycle, semitrailer, or recreational vehicle under subsection**
20 **(b)(1) or (b)(2), the calculation of the cost must:**

21 **(1) include the cost of parts and labor; and**

22 **(2) exclude the cost of repair, replacement, or reinstallation**
23 **of:**

24 **(A) an air bag restraint system;**

25 **(B) tires;**

26 **(C) sound systems; and**

27 **(D) sales tax on parts and materials required to repair the**
28 **vehicle.**

29 ~~(b)~~ **(d)** For the purposes of this section, the bureau shall, upon
30 request, determine the fair market value of a wrecked or damaged
31 motor vehicle, motorcycle, semitrailer, or recreational vehicle if the fair
32 market value cannot be determined from the source referred to in
33 section 2(1) of this chapter.

34 ~~(c)~~ **(e)** An insurance company ~~must~~ **or an owner described in**
35 **subsection (b)(2) shall** apply for a salvage title for ~~any~~ **a** vehicle that
36 has sustained damages of seventy percent (70%) or more of the fair
37 market value immediately before the motor vehicle, motorcycle,
38 semitrailer, or recreational vehicle was wrecked or damaged if the
39 vehicle meets the criteria ~~of~~ **specified in** subsection ~~(a)(1)~~ **(b)(1) or**
40 **(b)(2).**

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